
The questions below were asked by participants during CDFA's May 26, 2022 SSBCI Briefing on the Technical Assistance Grant Program Guidelines. Contact Rachel Reilly, Senior Advisor to CDFA, for more information at rreilly@cdfa.net.

1. We're a national SEDI-owned third-party TA provider and would like to get on the radar to provide services for awarded states. Will states have access to a central list of providers?

UST Response: TA Providers should work with individual jurisdictions on procurement matters.

2. a. Would you please provide examples of eligible subrecipients - could these include entrepreneurial support organizations, economic development nonprofits, etc?

UST Response: The TA Grant Program Guidelines specify that a subrecipient may be an entity of the eligible recipient (e.g., a state entity), or a legal, accounting, or financial advisory nonprofit or for-profit entity. In addition, a third-party contractor may be a legal, accounting, or financial advisory nonprofit or for-profit entity.

The regulation at 2 C.F.R. § 200.331 provides guidance on determining when an entity is a subrecipient or contractor. An eligible recipient that makes a subaward for a subrecipient to carry out a TA Grant Program award is called a pass-through entity

All subrecipients must maintain a SAM.gov registration and the pass-through entity must enter into a subaward agreement with each subrecipient that is a legally binding writing agreement that includes a budget consisting of separate line items reflecting the budget categories in section V.d of the TA Grant Program Guidelines. The subaward agreement must incorporate all terms and conditions of the TA Grant Program grant agreement and include the information listed in 2 C.F.R. § 200.332(a).

- b. Are there procurement requirements for subrecipients, or can they be named in the application?

UST Response: Because a subaward is used by an eligible recipient to pass through all or a portion of an award to an eligible subrecipient to carry out rather than to procure property and services, the procurement standards of 2 C.F.R. part 200 do not apply to subawards. However, an eligible recipient may have its own procurement standards that apply to subawards. Therefore, a proposed subrecipient may be named in the TA application. Please see 2 C.F.R. § 200.331 for additional guidance on determining whether a particular TA provider is a subrecipient or contractor.

For contracts, eligible recipients that are states, the District of Columbia, and territories must follow the same policies and procedures they use for procurements from their non-federal funds and comply with 2 C.F.R. §§ 200.321, 200.322, 200.323, and 200.327; if an eligible recipient does not have procurement standards, the requirements of 2 C.F.R. §§ 200.318 - 200.327 apply.

3. If an agency receives a TA subaward, is that agency restricted to use only SEDI subcontractors to implement TA services?

UST Response: Note that eligible recipients are not restricted to only engaging SEDI-owned businesses as TA providers. While there is no restriction, the SSBCI requires that recipients prioritize SEDI-owned businesses in selecting TA providers. Section V.c of the TA Grant Program Guidelines titled "TA Provider Requirement: Prioritization of SEDI Owned Businesses as Providers" provides guidance on implementing this this requirement.

4. If the "client" must have started a federally backed financing program, then many "future businesses" that SBCDs are working with would not be eligible. Many need legal assistance to establish their business or financial guidance for their business plan. The Business Plan is required in order to seek debt financing.

UST Response: Please see section III.b of the TA Grant Program Guidelines. Eligible beneficiaries under the TA Grant Program are very small businesses (VSBs) and businesses owned by socially and economically disadvantaged individuals (SEDI-owned businesses) that are applying for, preparing to apply for, or have previously applied for an SSBCI capital program or other federal or other jurisdiction small business program.

5. Thank you for the presentation! For the prioritization of SEDI-owned TA providers, how do we account for nonprofit TA providers?

UST Response: Note that eligible recipients are not restricted to only engaging SEDI-owned businesses as TA providers. While there is no restriction, the SSBCI statute requires that recipients prioritize SEDI-owned businesses in selecting TA providers. Section V.c of the TA Grant Program Guidelines titled "TA Provider Requirement: Prioritization of SEDI Owned Businesses as Providers" provides guidance on implementing this requirement. In their applications, the eligible recipient should address how the recipient plans to prioritize SEDI-owned TA providers in the TA plan. The eligible recipient should also show how their planned mix of TA providers will assist SEDI-owned businesses and VSBs in accordance with the economic benefit ratio. See sections V.b and c of the TA Grant Program Guidelines.

6. If a nonprofit provides multiple services which include "legal, accounting, or financial advisory services" would that qualify?

UST Response: There's no prohibition on a TA provider providing multiple types of TA services.

7. The language appears to suggest that these entities are more narrowly defined?

UST Response: Please provide additional clarification on this question.

8. When/how can we expect Treasury to answer the questions submitted via email?

UST Response: Treasury will provide response to questions via email and the publication of FAQs on the SSBCI website. Please submit your questions to ssbci_information@treasury.gov.

9. Do you anticipate SBA funded non-profits or organizations such as women's business centers and small business development centers being eligible 3rd party providers?

UST Response: Yes. Depending on how an entity is organized it may be a recipient, subrecipient, or contractor under an award. Please see section III.c of the TA Grant Program Guidelines. Note that the scope of work of a TA Grant Program award cannot duplicate activities funded under other programs, including any current federal grant award.

10. What can financial advisory services include? Could it include strategic planning, for example, as a business reviews its operational needs to apply for financing?

UST Response: Generally, yes. The eligible recipient's plan for providing services, including what types of services are envisioned, should be described in the TA plan. Treasury may seek clarifications and request revisions to the TA plans and other TA Grant Program application materials as appropriate to meet these TA Grant Program Guidelines during the application review and selection process.

11. When and how will VSBs and SEDIIs know who will administer and execute SSBCI and TA grants in their state/location?

UST Response: As a general matter, it will be up to each TA grant recipient to reach out to eligible businesses in their jurisdiction. Treasury will work with eligible recipients during the application process to produce a list of contact information for each jurisdiction's TA Grant Program

12. Is TA available to funds and fund managers that will manage the capital components?

UST Response: Fund managers that also administer the capital programs are not prohibited TA providers under the TA Grant Program Guidelines. Note that TA Grant funds and SSBCI Capital Program funds must be tracked and properly reported. There can be no duplication of costs. In addition, please note the conflict-of-interest requirements in section VIII.b of the TA Grant Program Guidelines and in the conflict-of-interest standards applicable to venture capital programs in section VIII.f of the Capital Program Policy Guidelines.

13. Economic Benefit Ratio for Tribes shows no number. Is that no ratio?

UST Response: Treasury will provide ratios directly to the Tribal Government at a later date.

14. Will the post award funds be disbursed in advance or on a reimbursement basis?

UST Response: Treasury is working on payment procedures under TA Grant awards.

15. If an agency receives a TA subaward, is that agency restricted to use only SEDI subcontractors to implement TA services?

UST Response: Note that eligible recipients are not restricted to only engaging SEDI-owned businesses as TA providers. While there is no restriction, the SSBCI statute requires that recipients prioritize SEDI-owned TA providers. Section V.c of the TA Grant Program Guidelines titled "TA Provider Requirement: Prioritization of SEDI Owned Businesses as Providers" provides guidance on implementing this requirement.

16. Are there examples available of previously approved applications? Many of us would like to get this right the first time and the language has been somewhat complicated.

UST Response: Unfortunately, no. However, the TA Program Guidelines walk through what is required in an application. In addition, the TA program application template is available on the SSBCI website at:

<https://home.treasury.gov/system/files/256/TechnicalAssistanceDraftApplicationText.pdf>

17. Can TA funds be used as monetary incentives/awards to TA program curriculum completers? Could awards be, for example, \$1,000 - \$5,000 for a SEDI's business related expenses?

UST Response: As part of the TA Grant Program application, eligible recipients must submit a TA plan that describes how they will use TA Grant Program funds; however, please note that Treasury does not anticipate approving monetary incentives under the TA Grant Program.

18. Can a recipient company choose its own legal counsel and/or accounting firm and the award is to pay the costs for specific tasks/projects rather than using a provider from the TA program?

UST Response: TA funds cannot be provided directly to eligible beneficiary businesses. They can only be provided to TA providers to provide services to eligible beneficiaries.

19. Are there state entities that will be responsible for managing money that gets to the very small businesses?

UST Response: Please clarify the question.

20. Is there an application process for organizations to contact their state to get the state destination?
UST Response: Please clarify the question.